

2003 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB674)

Received: 01/07/2004

Received By: rchampag

Wanted: Soon

Identical to LRB:

For: Suzanne Jeskewitz (608) 266-3796

By/Representing: Pam

This file may be shown to any legislator: NO

Drafter: rchampag

May Contact:

Addl. Drafters:

Subject: **Employ Pub - employee benefits**
Employ Pub - miscellaneous

Extra Copies: e-mail copy to Joyce Kiel at L

Submit via email: YES

Requester's email: Rep.Jeskewitz@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Payment of health insurance premiums for annuitants who return to employment with the state

Instructions:

Allow option at any time, not just at time of hire; allow for opt in under s. 40.51 (2) after employer offers coverage; cross reference LTE section in ch. 230

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rchampag 01/08/2004	kfollett 01/08/2004					State
/1			pgreensl 01/08/2004		sbasford 01/08/2004	sbasford 01/08/2004	

FE Sent For:

<END>

01/07/2004 11:48:00 AM

Page 1

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Identical to LRB:

For: **Suzanne Jeskewitz (608) 266-3796**By/Representing: **Pam**This file may be shown to any legislator: **NO**Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - employee benefits**
Employ Pub - miscellaneousExtra Copies: ① e-mail copy to Joyce Kiel at L
at Leg.
councilSubmit via email: **YES**② Pam Matthews at
Pamm6563@aol.comRequester's email: **Rep.Jeskewitz@legis.state.wi.us**③ e-mail copy to
Janine Hale in Rep.
Ladwig's office

Carbon copy (CC:) to:

Pre Topic:

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/?	rchampag	1/1/04 1/8	1/8 PS	1/8 PS	1/8 PS		

FE Sent For:

<END>

Champagne, Rick

From: Matthews, Pam
Sent: Wednesday, January 07, 2004 5:01 PM
To: Champagne, Rick
Subject: Assembly Substitute Amendment to AB674

Hi Rick,

I almost forgot to send you my home e-mail address! It is: Pamm6563@aol.com Also, could you please send an electronic copy of this to Janine in Ladwig's office?
If you can't please let me know, otherwise I will assume you can.

Thanks,

Pam

*Pamela B. Matthews
Research Assistant
Office of Representative Sue Jeskewitz
24th Assembly District*

*Office: 608-266-3796
Toll Free: 888-529-0024
Pam.Matthews@legis.state.wi.us*



State of Wisconsin

2003 - 2004 LEGISLATURE

FRIDAY

ASA

to

2003 ASSEMBLY BILL 674

LRB-3714/1

RAC:kjf:pg

CRB5029211

RAC:kjf

November 13, 2003 - Introduced by Representatives JESKEWITZ, HAHN, ALBERS, MUSSEY, OWENS, TOWNSEND, OTT, SERATTI, HINES and BOYLE, cosponsored by Senators RISSEY and ROESSLER. Referred to Committee on Insurance.

Regen

- 1 AN ACT *to amend* 40.05 (4) (ad) and 40.51 (2); and *to create* 40.02 (25) (b) 5m.
2 of the statutes; **relating to:** payment of health insurance premiums for certain
3 annuitants under the Wisconsin Retirement System who become employed by
4 the state.

Analysis by the Legislative Reference Bureau

Under current law, a person who is an annuitant under the Wisconsin Retirement System (WRS) and who subsequently becomes employed by the state is not eligible for employer contributions toward the cost of health insurance coverage during the time that he or she is employed by the state unless the person first terminates his or her WRS annuity. This bill permits a person who is a WRS annuitant to become a state employee and become eligible for employer contributions toward the payment of the cost of health insurance coverage while employed by the state without having to terminate his or her WRS annuity. In order for the annuitant to become eligible for the employer contributions, the person's employer must agree ~~at the time that the annuitant is hired by the state~~ to make the employer contributions.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

ASSEMBLY BILL 674

SECTION 1

✓
1 SECTION 1. 40.02 (25) (b) 5m. of the statutes is created to read:

2 40.02 (25) (b) 5m. An annuitant who is employed by a state agency after
3 becoming an annuitant and who does not terminate his or her retirement annuity
4 under s. 40.26 and whose employer has agreed, in writing, ~~at the time that the~~
5 ~~annuitant is hired by the state~~ to pay employer contributions towards the premium
6 costs of health insurance coverage under s. 40.05 (4) (ag). ↑

Insert 2-6
7 SECTION 2. 40.05 (4) (ad) of the statutes is amended to read:

8 40.05 (4) (ad) For health insurance, each insured retired employee who elects
9 coverage under s. 40.51 (10), (10m) or (16) shall pay the entire amount of the required
10 premiums, except as provided in par. (bc). This paragraph shall not apply to an
11 eligible employee, as defined in s. 40.02 (25) (b) 5m.

12 SECTION 3. 40.51 (2) of the statutes is amended to read:

13 40.51 (2) Except as provided in subs. (10), (10m), (11) and (16), any eligible
14 employee may become covered by group health insurance by electing coverage within
15 30 days of being hired, to be effective as of the first day of the month which begins
16 on or after the date the application is received by the employer, or by electing
17 coverage prior to becoming eligible for employer contribution towards the premium
18 cost as provided in s. 40.05 (4) (a) to be effective upon becoming eligible for employer
19 contributions. An eligible employee who is not insured, but who is eligible for an
20 employer contribution under s. 40.05 (4) (ag) 1., may elect coverage prior to becoming
21 eligible for an employer contribution under s. 40.05 (4) (ag) 2., with the coverage to
22 be effective upon becoming eligible for the increase in the employer contribution.
23 Any employee who does not so elect at one of these times, or who subsequently
24 cancels the insurance, shall not thereafter become insured unless the employee
25 furnishes evidence of insurability satisfactory to the insurer, at the employee's own

Insert 2-19

ASSEMBLY BILL 674

1 expense or obtains coverage subject to contractual waiting periods. The method to
2 be used shall be specified in the health insurance contract. This subsection shall
3 apply specifically to an eligible employee, as defined in s. 40.02 (25) (b) 5m., even if
4 that employee would otherwise be subject to subs. (10), (10m), or (16) or any
5 contractual waiting period applicable under subs. (10), (10m), or (16).

SECTION 4. Nonstatutory provisions.

7 (1) Notwithstanding section 40.51 (2) of the statutes, an eligible employee, as
8 defined in section 40.02 (25) (b) 5m. of the statutes, as created by this act, who is
9 employed by the state on the effective date of this subsection shall not be required
10 to elect coverage prior to becoming eligible for employer contributions towards the
11 premium costs of health insurance coverage if the employee elects the coverage
12 before the 90th day after the effective date of this subsection and if the employee's
13 employer agrees, in writing, to pay employer contributions towards the premium
14 costs of health insurance coverage under section 40.05 (4) (ag) of the statutes. Any
15 such election must be made by the employee in writing on an application form
16 provided by the department of employee trust funds and must be received by the
17 department of employee trust funds before the 90th day after the effective date of this
18 subsection. Coverage shall be effective on the first day of the month that begins after
19 the department receives a timely application under this subsection, unless on the
20 date that the application is received the employee is not yet eligible for employer
21 contributions towards the premium costs of health insurance coverage under section
22 40.05 (4) (a) of the statutes and the employee has specified that the coverage is to
23 become effective upon becoming eligible for the employer contributions.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRBa1897/1
RAC:kmg:rs

2-6

**ASSEMBLY AMENDMENT ,
TO 2003 ASSEMBLY BILL 674**

~~(At the locations indicated, amend the bill as follows:~~

1. Page 2, line 6: after "(ag) (1) (a) (i)" This subdivision shall not apply to an annuitant who is employed by a state agency as a limited term employee or who is not expected to work at least one-third of what is considered full-time employment by the department, as determined by rule. ~~13~~

~~(END)~~

S. ✓
under 230.26

, and any eligible employee, as ^{defined} defined in
s. 40.02 (25) (b) 5M., may become covered by
group health insurance by electing coverage
within 30 days after the employer^{er} has agreed,
in writing, to pay employer contributions toward
the premium ^{cost} cost of such insurance



State of Wisconsin
2003-2004 LEGISLATURE

CORRECTIONS IN:

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2003 ASSEMBLY BILL 674**

Prepared by the Legislative Reference Bureau
(January 20, 2004)

1. Page 3, line 1: delete "5m." and substitute "5m.,".

LRBs 0292/1
RAC

(CCC) to ASA 1

to 2003 A B 674

Page 3, line 1: delete
"5m." and substitute "5m.,".

lgf

WV

CCC

v

1 contributions, and any eligible employee, as defined in s. 40.02 (25) (b) 5m., may
2 become covered by group health insurance by electing coverage within 30 days after
3 the employer has agreed, in writing, to pay employer contributions toward the
4 premium cost of such insurance. An eligible employee who is not insured, but who
5 is eligible for an employer contribution under s. 40.05 (4) (ag) 1., may elect coverage
6 prior to becoming eligible for an employer contribution under s. 40.05 (4) (ag) 2., with
7 the coverage to be effective upon becoming eligible for the increase in the employer
8 contribution. Any employee who does not so elect at one of these times, or who
9 subsequently cancels the insurance, shall not thereafter become insured unless the
10 employee furnishes evidence of insurability satisfactory to the insurer, at the
11 employee's own expense or obtains coverage subject to contractual waiting periods.
12 The method to be used shall be specified in the health insurance contract. This
13 subsection shall apply specifically to an eligible employee, as defined in s. 40.02 (25)
14 (b) 5m., even if that employee would otherwise be subject to subs. (10), (10m), or (16)
15 or any contractual waiting period applicable under subs. (10), (10m), or (16).

(END)